



U.S. General Services Administration

# Integrated Technology Services

Center for IT Schedule Program

## Contract Administration: Different Types of Modifications

GSA/FAS/ITS  
February 2011

## Integrated Technology Services – Center for IT Schedule Program

# Agenda

- Maintaining Your Contract
- Types of Modifications (Mods)
- Submitting Modification Requests
- Questions

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# Maintaining Your Contract

- Work with your Procurement Contracting Officer (PCO) or Contract Specialist (CS) to follow the guidelines provided in your IT Schedule 70 Award Letter
- Keep your contract up-to-date through contract modifications (mods)
- Maintain a complete contract file for your records
  - Original Contract
  - Terms and Conditions
  - Modifications
  - Pricelists
  - Correspondence with GSA

# Types of Modifications (Mods)

- Bilateral Modification
  - Contract modification signed by both Contractor and Contracting Officer
- Unilateral Modification
  - Contract modification signed by Contracting Officer

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# Types of Mods– Additions

- Make the following statements in the request letter:
  - Products added are not substantially equal to previously deleted items which had lower schedule price
  - All products offered are compliant with the Trade Agreements Act
  - All terms and conditions remain the same
  - Confirmation whether or not Commercial Sales Practices (CSP) have changed; if changed, submitted revised CSP chart
  - Products are Energy Star compliant (as applicable)
  - The estimated change to the contract value\_\_\_\_\_

# Types of Mods – Additions

## Manufacturers

- Sub-Types of Additions
  - New Products
  - New SINs
- Documents to be submitted:
  - Signed letter from Contractor
  - Excel spreadsheet with SINs, products, and pricing information
  - CSP chart (for new SINs or if change in practices)

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# Types of Mods – Additions

## Resellers/Dealers

- Sub-Types of Additions
  - New Products
  - New SINs
  - New Manufacturers
- Documents to be Submitted:
  - Signed letter from Contractor
  - Letter of Supply
  - CSP chart from Manufacturer (for resellers/dealers without significant sales)
  - Excel spreadsheet with SINs, product, and pricing information

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# Types of Mods – Deletions

- **Documents to be submitted**
  - Signed letter from Contractor
  - Excel spreadsheet with SINs, products, and pricing information
- Government reserves right to reject subsequent offer if Contracting Officer finds same item at higher price when compared with deleted item



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# Types of Mods – Price Reductions

- Make following statements in request letter :
  - Indicate if Price Reduction is temporary or permanent
  - Price Reduction is based off one of followings:
    - Contractor revises commercial catalog/pricelist
    - Contractor grants more favorable discounts or terms & conditions
    - Contractor grants special discounts to customer that formed the basis of award
  - Effective date of proposed price reduction coincides with commercial effective date
- Documents to be submitted:
  - Signed letter from Contractor
  - Price adjustment spreadsheet

# Types of Mods – Economic Price Adjustments

## **Three Types of Economic Price Adjustments:**

1. For Contracts Based on a Commercial Pricelist
2. For Contracts Not Based on a Commercial Pricelist:  
Escalation Rates
3. For Contracts Not Based on a Commercial Pricelist:  
Market Indicator

Clauses 552.216-70 and I-FSS-969

# Types of Mods – Economic Price Adjustments

## **Note the following conditions to consider:**

- May request on or after first 12-months
- No more than 3 increases will be considered
- NO EPAs allowed within last 60 days of contract period, including options
- NO EPA allowed if less than 30 days from previous request
- Aggregate of increases during any 12-month period shall not exceed ten percent (10%) of contract unit price
- No separate contract modification is necessary for adjustments based on escalation rates negotiated prior to contract award (Clause I-FSS-969)



# Types of Mods – Economic Price Adjustments

## **Products/Services based on Commercial Catalog Prices**

- Documents to be submitted:
  - Signed letter from Contractor (include CSP statement)
  - Price Adjustment Spreadsheet
  - Updated commercial catalog/pricelist showing price increase & effective date
  - Documentation supporting price increase

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# Types of Mods – Economic Price Adjustments

## **Products/Services NOT based on Commercial Catalog Price (typically used for Services)**

- Department of Labor (DOL), Table 5, Professional Services
- Documents to be submitted:
  - Signed letter from Contractor (include CSP statement)
  - Price Adjustment spreadsheet
  - Documentation supporting price increase
  - Copy of index or pricing indicator showing price increase & effective date
  - The Contracting Officer may request additional documentation

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# Types of Mods – Administrative

- Includes changes to:
  - Address/Telephone #/Email / Website Address/Point of Contact
  - Product/Service Description/Part Number
  - Geographic Coverage (Scope)
  - Incorporating Subcontracting (SubK) Plan (for large businesses only)
- Documents to be submitted:
  - Signed letter from Contractor

# Types of Mods – Cancellations

## **Cancellation (GSAR 552.238.73)**

- Either party may cancel this contract in whole or in part by providing written notice. The cancellation will take effect 30 calendar days after the other party receives the notice of cancellation. If the Contractor elects to cancel this contract, the Government will not reimburse the minimum guarantee.
- Document to be submitted:
  - Signed Letter from Contractor if the contractor is requesting to cancel the contract

# Types of Mods – Novation/Change of Name

## **Novation vs. Change of Name Agreements**

- Follow Federal Acquisition Regulations (FAR) subpart 42.12 Novation and Change of Name Agreements
- Contracting Officer will determine if it is in the Government's best interest to recognize the successor
- Example of documents to be submitted:
  - Signed letter from Contractor
  - Documentation supporting Novation or Change of Name Agreements IAW FAR 42.12
- Note: No contractual actions will be considered until the Novation or Change of Name Agreement is incorporated into the contract



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# Types of Mods – Options

## **I-FSS-163 *Option to Extend the Term of the Contract (Evergreen)***

- “The Government may require continued performance of this contract for an additional five year period.... The option clause may not be exercised more than three times”
- The following conditions are applicable:
  - It is determined that exercising the option is advantageous to the Government considering price and the other factors
  - The Contractor's electronic catalog/pricelist has been kept current on *GSA Advantage!*<sup>TM</sup>
  - Sales
  - Performance has been acceptable under the contract
  - Subcontracting goals have been reviewed and approved
- Contractor will be notified of Intent to Exercise the Option approximately 150 days prior to expiration

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# Types of Mods – Mass Mods

- GSA-Initiated
- Reflects a change which impacts the entire solicitation, not a single vendor
- May incorporate:
  - New regulations
  - Solicitation Refreshes
- Accessed through the Vendor Support Center (VSC)



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# Overview of Required Documents

Items to be Submitted and Reviewed	Addition  Previously Negotiated Product Lines/SINs for Manufacturer and Reseller/Dealer	Addition  New SINs/Product Lines for Manufacturer	Addition  New Manufacturers/SINs /Product Lines for Reseller/Dealer	Deletion	Price Reduction	Price Adj (EPA)	Admin Change
Signed Letter from Contractor stating estimated changed contract value and IAW terms and conditions (For additions –include manufacturer name, TAA notification & IFF inclusion	X	X	X	X	X	X	X
Letter of Supply from Manufacturer			X				
Comm. Sales Practice (CSP) from Manufacturer		X	X			X	
List of Products covered by the Letter of Supply from Manuf.			X				
Suggested Retail Pricelist from Manufacturer and/or Reseller/Dealer	X	X	X	X	X	X	
Excel Spreadsheet with SINs, Products and Pricing	X	X	X	X			
Updated GSA Pricelist	X	X	X	X	X	X	X
Price Adjustment Spreadsheet					X	X	

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# Submitting Mod Requests

- **eMods** – submission of mod requests via the eOffer/eMod system
- **Central Intake Desk (CID)** – submission of mod requests via email or hardcopy

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# Submitting Mod Requests – eMods

- Available for processing Vendor-Initiated mod types
- Benefits of using the eOffer/eMod system:
  - Reduces delivery costs and delays
  - Digital certificates ensure integrity of your proprietary data
  - User-friendly screens lead you through submittal process
  - E-signature creates electronic contract modification for fast retrieval
  - New Enhancement: Rapid Action Mods (RAM)
    - Expedites processing of most Administrative and all Deletion mods
    - RAM modifications are unilateral on part of government
      - CO will review your request
      - Contractor will then receive notification (and if approved, an SF30) that mod has been approved or rejected
- <http://www.eoffer.gsa.gov/>

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# Submitting Mod Requests – CID

- Central Intake Desk (CID) was established in March 2009
  - Distributes mod requests to the appropriate PCO or CS
  - Enhances Customer Service by improving paper mod processing efficiency
- Mod requests may be submitted:
  - Via email: [Sched70mod@gsa.gov](mailto:Sched70mod@gsa.gov)
  - Via US Mail/Overnight:
    - ATTN: Central Intake Desk  
Center for IT Schedule 70 Program  
2200 Crystal Drive, Suite 600  
Arlington, VA 20406-0003

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## Additional Information

- Contractor must update *GSA Advantage!* within **30 days** to reflect awarded modifications
- Dealers/Resellers cannot resell IT Professional Services

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# Questions?

